

MINUTES OF THE MEETING OF THE CITY COUNCIL

Wichita, Kansas, August 10, 2004
Tuesday, 9:04 A.M.

The City Council met in regular session with Mayor Mayans in the Chair. Council Members Brewer, Fearey, Gray, Lambke, Martz, Schlapp; present.

Cathy Holdeman, Assistant City Manager; Gary Rebenstorf, Director of Law; Karen Sublett, City Clerk; present.

Rev. Phil Lamar, Chaplain at Via Christi, St. Francis, gave the invocation.

The pledge of allegiance was participated in by the Council Members, staff, and guests.

The Minutes of the regular meeting of August 3, 2004, were approved 7 to 0.

Mayor Mayans momentarily absent, Vice-Mayor Brewer in the chair.

(OFF AGENDA ITEM)
Council Member Gray

Council Member Gray requested to bring up an off-agenda item.

Motion--
--carried

Gray moved to adopt a resolution of support for Boeing in recognition of their 75th anniversary. Motion carried 7 to 0.

AWARDS AND PRESENTATIONS

Recognition

Recognition of Northeast Magnet High School Art Students

Vice-Mayor Brewer recognized the Northeast Magnet High School Art Students and presented each with a certificate.

Recognition

Recognition of Boeing Wichita's 75th Anniversary

Vice-Mayor read aloud a Resolution that recognizes Boeing Wichita on its 75 years of contributions by the employees of Boeing Wichita, our nation, and our community.

PUBLIC AGENDA

Robert J. Davis

ROBERT J. DAVIS-WICHITA NEWS BRIEF.

Mr. Davis stated that he publishes the Wichita News Brief, which is an on-line publication that is distributed Monday through Friday. Stated that he started this publication in January of 2003 and is asking the Council's assistance in allowing his publication to be allowed through the City's e-mail system to reach the City Employees.

King David Davis

KING DAVID DAVIS-GOING TO THE NEXT STEP.

Mr. Davis stated that he has taken on the responsibility to help the little guy out and formed the Citizens for Justice, for anyone who has been stung by injustice.

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UNFINISHED BUSINESS

CONDEMNATION REPAIR OR REMOVAL OF UNSAFE STRUCTURES, 323 NORTH MERIDIAN, (DISTRICT VI)

(Continued from March 2, 2004)

Kurt Schroeder Office of Central Inspection reviewed the item.

Agenda Report No. 04-0165A

This property was before the Board of Code Standards and Appeals (BCSA) on October 13, 2003. No repairs had been made to the property, and the BCSA recommended a final extension until January 5, 2004, and if the repairs were not made, then 10 days to start demolition and an additional 10 days to complete.

The case was before Council for a hearing on March 2, 2004. Owner Terry Braman was present and the City Council adopted a resolution allowing the owner 45 days to obtain financing, and an additional 45 days to complete the repairs.

The owner has been pursuing financing for complete renovation of the property and has completed the application process with Community Housing Services. Bids for the work have been obtained and work can start as soon as the loan has been completed. The owner's intent is to make this house his residence.

Council Member Fearey requested that this item be returned for Council review.

The property is secure and the premises are maintained in fair condition. Some minor exterior repairs have been made.

Taxes: Effective June 20, 2004, the 2003 taxes became delinquent in the amount of \$150.49.

The owner has been notified of the date and time of this hearing.

Mayor Mayans Mayor Mayans inquired whether anyone wished to be heard.

Terry Braman Mr. Braman stated that as of Friday he paid the remainder of the balance on the delinquent property taxes. Stated that the financing for this is being processed and that he has five bids from contractors to rehabilitate this house and he is planning on living in the house. Stated that he would appreciate the extended time to complete this.

Council Member Fearey Council Member Fearey stated that Mr. Braman is working through Community Housing Services on this loan and that this is a structure that would be much better to let him continue on and to bring back on to the City's tax rolls instead of spending money to demolish this house and leaving a vacant lot in that neighborhood.

Motion-- Fearey moved that the previous Resolution be modified and adopted; and that the owner be granted an additional 60 days to finalize rehabilitation financing and complete required exterior repairs including the foundation work and waive the cash deposit equal to one half the estimated cost of demolition.
--carried Motion carried 7 to 0.

RESOLUTION NO. 04-411

A Resolution finding that the structure/s located on Lots 33-35, Block 28, J.O. Davidson's Second Addition, Wichita, Sedgwick County, Kansas, commonly known as 323 North Meridian, is unsafe or dangerous and directing the structure to be made safe and secure or removed, presented. Fearey moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

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ANIMAL CODE

REVISION OF ANIMAL MAINTENANCE CODE. (DEFERRED FROM AUGUST 3, 2004)

Cathy Holdeman

Assistant City Manger requested that this item be deferred until September 14, 2004.

Motion--carried

Mayans moved that this Item be deferred until the September 14, 2004 meeting. Motion carried 7 to 0.

WELLINGTON PL & COMLEY HOUSE

AUTHORIZE MARKETING OF WELLINGTON PLACE, 1847 WELLINGTON PLACE; SUBMITTAL OF NATIONAL REGISTER NOMINATION FOR COMLEY HOUSE, 1137 NORTH BROADWAY AND MARKETING OF COMLEY HOUSE UPON DESIGNATION IN THE REGISTER OF HISTORIC KANSAS PLACES. (DISTRICT VI) (DEFERRED FROM AUGUST 3, 2004)

John Schlegel

Planning Director reviewed the item.

Agenda Report No. 04-0784A

Authorize sale of Wellington Place for a use in conformance with the Midtown Neighborhood Plan; submittal of a National Register nomination for the Comley House to the State Historic Preservation Office, and list the Comley House for sale, upon designation, for a use in conformance with the Midtown Neighborhood Plan. Price for properties shall be approved by City Council based on property appraisals.

At the July 15, 2003, City Council meeting, Property Management was directed to sell certain City properties. Wellington Place and the Comley House were withheld from the list pending completion of the Midtown Neighborhood Plan per the discussion at the June 24, 2003, City Council Workshop. May 18, 2004, the Midtown Neighborhood Plan was approved by City Council at the regular council meeting.

Wellington Place already has the financial incentives in place afforded by its status as a National Register property. Although the Comley House is listed in the Wichita Register of Historic places, that designation does not include the tax benefits available to a property listed in the State/National Register. State/National Register listing allows access to three specific financial incentives: twenty percent Federal Historic Income Tax Credit, twenty-five percent State Historic Income Tax Credit and the Kansas Heritage Trust Fund Grant. These programs are administered through the Kansas State Historic Preservation Office.

The Comley House would be eligible for listing in the State/National Register because of its association with Henry Comley, owner of Pond-Comley Lumber Company and Comley-Neff Lumber Company. The house is one of two houses left on Broadway, which was owned by lumber barons. At the turn of the 20th Century, Lawrence, now Broadway, was known locally as "Lumberman's Row." State/National Register listing of the Comley House would be advantageous to marketing the property.

The Federal Historic Income Tax Credit is twenty percent of the qualified rehabilitation costs and must be substantial. The substantial threshold is defined as projects in excess of \$5,000 or the adjusted basis of the building. Adjusted basis is the purchase price, minus land value, minus depreciation, plus cost of any improvements done since purchase. Federal Historic Income Tax Credits may be carried forward twenty-years and back one year. Acquisition costs are not eligible rehabilitation costs.

Kansas State Historic Income Tax Credit is twenty percent of the qualified rehabilitation costs. The project cost must exceed \$5,000. There is no cap on project expenses nor is there a limit to the number of times you may apply and take the tax credit. The state historic income tax credit may be carried forward ten years.

The owner of the federal or state tax credits can elect to use the credits or transfer them to a qualified investor. The average market rate for Federal Historic Income Tax Credits is around \$0.90 for every dollar and the \$0.80 for State Historic Income Tax Credits.

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The Heritage Trust Fund Grant is a competitive grant that is awarded annually. In order to be eligible to apply, the property must be listed in the State/National register at the time of application. The maximum grant awarded is \$90,000. Governmental entities, not-for-profit organizations and owners of private residences must provide a twenty percent cash match. For-profit entities are required to provide a 50 percent cash match.

Neither property has been valued for sale. Staff will commission appraisals on the properties. These will be used to develop minimum asking prices for each property. These values will be presented to the City Council for approval. Once approval is received, the properties will be marketed to the public.

The Midtown Neighborhood Plan designates 1847 Wellington Place for single detached or duplex residential use and 1137 N. Broadway for multi-unit (four-plex or less) residential use.

Both of these properties already require design review by the Historic Preservation Board. Review by the State Historic Preservation Office would only be required if the property owner elected to apply for the Federal Historic Income Tax Credit, the Kansas Historic Income Tax Credit or the Kansas Heritage Trust Fund Grant.

There are no costs associated with submitting a nomination to the Kansas State Historic Preservation Office for consideration of listing a property in the state/national registers of historic places.

- Mayor Mayans Mayor Mayans inquired whether anyone wished to be heard.
- Dan Fitzgerald President of Historic Midtown Citizens Association stated that they began their own visioneering about three years ago and developed their Midtown Neighborhood Plan. Stated that he is here to ask that the Council continue to support the Midtown Neighborhood Plan and are glad that these two properties will be sold in conformance with the Neighborhood Plan.
- Rosalee Bradley Vice-President of Wichita Independent Neighborhoods stated that they support preserving the integrity of Neighborhood Plans and that all neighborhoods should have the right to identify the items and qualities that make their neighborhood the place they and others want to live, work and raise their children. This gives them ownership and if you have ownership you give more TLC, it creates a sense of pride. Stated that she urges the Council to support neighborhoods and neighborhood plans as they formulate and create a vision for their future and their neighborhoods.
- Mayor Mayans Mayor Mayans stated that his concerns have been that on the recommended action it asked that to authorize the sale of Wellington Place for use in conformance with the Midtown Neighborhood Plan. Stated that that conformance limits the extent and establishment of bed and breakfast and since this property is owned by the City and the property has been on the market for almost two years and have over \$50,000.00 in maintenance, he would hate to diminish the price on the property by putting additional restrictions and decrease the pool of buyers.
- Council Member Fearey Council Member Fearey stated that we now have a chance to market these properties in conformance with a plan that this neighborhood thinks is good for their future. Stated that she would like to see the Council go ahead and say lets market these in conformance with the Neighborhood Plan for a period of six months and then review and see where we are at that point.
- Motion-- Fearey moved to authorize the sale of Wellington Place and Comley House for a use in conformance with the Midtown Neighborhood Plan for a period of six months; ; submittal of a National Register nomination for the Comley House to the State Historic Preservation Office, and list the Comley House for sale, upon designation, for a use in conformance with the Midtown Neighborhood Plan. The price for the properties shall be approved by City Council based on property appraisals.
- carried Motion carried 7 to 0.

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NEW BUSINESS

2005 BUDGET

2005 ANNUAL OPERATING BUDGET AND REVISIONS TO THE 2004 BUDGET.

Kelly Carpenter

Acting Finance Director reviewed the item.

Council Member Schlapp momentarily absent.

Agenda Report 04-0821

The City Council has received public comments on the proposed 2005/2006 Budget. On July 20, 2004, the City Council placed the budget ordinances on first reading and authorized the publication of the hearing notices, establishing the maximum mill levy for the 2005 City budgets.

2005 Operating Budget. The proposed 2005 annual operating budget is \$409,107,750 – including all Tax Increment Financing (TIF) Funds and the Self-Supporting Municipal Improvement District (SSMID) Fund. Interfund transactions and appropriated reserves increase this amount to \$513,814,243. The inclusion of expendable trust funds, as required by law, is an additional \$61,631,300 for a total of \$575,445,543. The estimated mill levy for this budget would be 31.905 mills, no change from the levy for the current 2004 adopted budget.

The General Fund property tax levy is \$55,632,430 (including a delinquency allowance) at an estimated 21.905 mills. The levy for the Debt Service Fund is \$25,397,140 (including a delinquency allowance) and is estimated at 10.000 mills.

There are a total of seven TIF Funds, two environmental TIFs (Gilbert & Mosley and North Industrial Corridor) and five economic TIFs (East Bank, Old Town, 21st & Grove, Central & Hillside, and Old Town Cinema). The combined resources of the seven TIF Funds is \$6,787,830, of which \$6,162,500 is derived from property tax increments.

The SSMID Fund is included in the proposed budget assuming a 3.14% increase in assessed valuation. If the SSMID mill levy remains constant (5.950 mills), new valuation projections would result in \$561,590 revenue net of delinquency in fiscal year 2005 (2004 taxes levied). The proposed budget ordinance for the SSMID assumes a constant mill levy rate. Factoring revenue from prior year delinquencies would add an additional \$29,560 for a total of \$591,150.

Jointly Funded Budgets. The General Fund includes City of Wichita contributions to the jointly funded City-County budgets, as identified in the table below.

	<u>City</u>	<u>County</u>	<u>Revenue</u>	<u>Total</u>
Flood Control	713,940	713,940	0	1,427,880
Metropolitan Area Planning	642,800	642,800	281,650	1,567,250

Due to the implementation of a County 4% budget cut (from 2004 budget levels), the Proposed 2005 joint City-County Flood Control budget must be reduced by \$154,660 (the Flood Control operation is funded 50/50 by the City of Wichita and Sedgwick County). As a result, the City's (and the County's) 2005 contribution to Flood Control will be reduced by \$77,330 – from \$791,270 to \$713,940. The City portion of the cost is paid from the General Fund. It is recommended that the City's reduced appropriation be moved to the General Fund contingency.

It is necessary for the City Council to approve joint agreements to continue these functions. The County Commission is expected to likewise approve the County share of these functions. An interlocal agreement between the City and County assigning the respective transitional obligations for public health services requires the City to pledge \$298,970 to Sedgwick County in 2005.

2004 Revised Budget. In addition to action on the 2005 Budget, it is requested that action be taken to amend the 2004 adopted budget – as contained in the proposed budget submitted to the City Council:

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1. The Tourism & Convention Fund is increased \$338,550 primarily to accommodate increased operating costs of Convention & Visitors Bureau and tourism/convention items approved by the City Council in the spring of 2004. Items include the new location fee of the Men's Bowling Tournament scheduled in 2011, and the annual contribution for the Aviation Festival. The increased expenditures are offset by projected increases in transient guest tax receipts or reductions in other line items.
2. The Economic Development Fund increase of \$3,257,710 is due primarily to funding for the AirTran contract stop-loss guarantee (\$2.5 million) and to expanded resources being made available for economic development incentives. The contingency amount was also increased (\$360,000) to provide expenditure authority within the re-certified fund total, but would not be used without City Council directive.
3. The Water Utility Fund is increasing \$1,563,910 due largely to absorbing additional Powdered Activated Carbon (PAC) chemical costs for taste and odor control and restoration of maintenance projects deferred from 2003. These changes were determined after the 2004 budget had already been adopted.
4. The Self-Supporting Municipal Improvement District (SSMID) Fund is increased \$24,880 to release excess fund balance to the Downtown Development Corporation (DDC) as soon as possible. Revenue exceeded estimates in 2003, causing the accumulation of funds. The Revised Budget allows the DDC to access the money upon adoption of the re-certified budget, rather than waiting until 2005.
5. The Self Insurance Fund increase of \$1,176,950 is due primarily to a greater-than-expected increase in Health Insurance costs and an increase in Tort Liability costs. The Adopted budget had been constructed assuming a 20% increase in Health rates, but the actual rate increase of 23% resulted in a budget increase of \$665,750. Tort Liability costs increased \$961,830 due to the decision to pay a legal settlement from this fund rather than the General Fund. The increased Health Insurance costs are included in individual departmental budgets, but the Tort costs are not offset and will result in drawing down the fund balance. These higher expenses are partially offset by cost reductions in Workers' Compensation costs and Risk Management administrative costs.

Publication of the notice of formal hearing on July 30 set the maximum dollars that may be expended in each fund. The City Council may reduce expenditures required (and proposed tax dollars to be levied) but not increase expenditures previously established.

Publication requirements of State law for the final (formal) public hearing have been met. Appropriate disclosure is included within the ordinance of property tax increases not related to assessed value added by improvements, appreciating personal property and/or annexation. Following final Council action on the proposed budget, proper certification will be made of the property taxes to be levied in conformity with State law.

Mayor Mayans	Mayor Mayans inquired whether anyone wished to be heard and no one appeared.
Council Member Gray	Council Member Gray stated that he would like the record to reflect that in the workshop the Council decided that they wanted to authorize the funding for the 11 engineers to be added in the Public Works Department but that would have to come back to a public Council for approval to fill those positions.
Kelly Carpenter	Acting Finance Department stated that the positions are authorized but before they implement that type of a program, they will bring it back to Council.
Motion--	Mayans moved that the public hearing be closed; (1) the 2005 budgets be approved and the necessary budget ordinances, including those for the tax increment financing (TIF) districts and the self-supported municipal improvement district (SSMID) be adopted; (2) amending the 2004 budget for the following funds: Tourism and Convention, Economic Development, Self-Supporting Municipal Improvement District, Water Utility; and Self Insurance be approved; (3) the joint agreements with Sedgwick County (including amendments to the City-County Flood Control operating budget) be approved and (4) the use of local funds derived from property within the corporate limits for the Wichita State University Board of Trustees (Interlocal Agreement between the City and County) be approved.
--carried	Motion carried 7 to 0.

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ORDINANCE NO. 46-229

An Ordinance making and fixing general tax levy for the City of Wichita, Kansas, for the year beginning January 1, 2005, and ending December 31, 2005, and relating thereto, and concurrently approving certain amendments to the 2004 adopted budget. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

ORDINANCE NO. 46-230

An Ordinance making and filing an increment in ad valorem taxes for the Gilbert and Mosley Site Redevelopment District, City of Wichita, Kansas, for the fiscal year beginning January 1, 2005, and ending December 31, 2005. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

ORDINANCE NO. 46-231

An Ordinance making and filing an increment in ad valorem taxes for the North Industrial Corridor Redevelopment District, City of Wichita, Kansas, for the fiscal year beginning January 1, 2005, and ending December 31, 2005. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

ORDINANCE NO. 46-232

An Ordinance making and fixing general tax levy for the Downtown Wichita Self-Supported Municipal Improvement District for the year beginning January 1, 2005, and ending December 31, 2005. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

ORDINANCE NO. 46-233

An Ordinance making and filing an increment in Ad Valorem Taxes for the East Bank Redevelopment District, City of Wichita, Kansas, for the fiscal year beginning January 1, 2005, and ending December 31, 2004. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

ORDINANCE NO. 46-234

An Ordinance making and filing an increment in Ad Valorem Taxes for the Old Town Redevelopment District, City of Wichita, Kansas, for the fiscal year beginning January 1, 2005, and ending December 31, 2004. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

ORDINANCE No. 46-235

An Ordinance making and filing an increment in Ad Valorem Taxes for the 21st and Grove Redevelopment District, City of Wichita, Kansas, for the fiscal year beginning January 1, 2005, and ending December 31, 2004. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

ORDINANCE NO. 46-236

An Ordinance making and filing an increment in Ad Valorem Taxes for the Central and Hillside Redevelopment District, City of Wichita, Kansas, for the fiscal year beginning January 1, 2005, and ending December 31, 2004. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

ORDINANCE No. 46-237

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An Ordinance making and filing an increment in Ad Valorem Taxes for the Old Town Cinema Redevelopment District, City of Wichita, Kansas, for the fiscal year beginning January 1, 2005, and ending December 31, 2004. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

BEAUTYFIRST

PUBLIC HEARING AND ISSUANCE AND INDUSTRIAL REVENUE BONDS, BEAUTYFIRST PROJECT. (DISTRICT II)

Allen Bell

Director of Economic Development reviewed the item.

Agenda Report No. 04-0822

On February 3, 2004, City Council approved an incentive package to Riversharpe Properties LLC for the benefit of the BeautyFirst project. Under the approved package, the City agreed to acquire property in the Regency Park Industrial Park near K-96 and Greenwich Road, in the approximate amount of \$218,000, approved a Letter on Intent to issue IRBs in the amount of \$3 million and granted a 100% five-plus-five year tax exemption on bond-financed improvements. The bonds will be used to construct a 12,000s.f. corporate office building and a 41,000 s.f. warehouse distribution facility. The company is now requesting the City to issue industrial revenue bonds in the amount not-to-exceed \$3,000,000 to finance the project.

BeautyFirst is a national chain of hair salons with its corporate headquarters located in Wichita. BeautyFirst is an 80-store franchise system, spread across 25 states, that combines the best practices of the hair salon service industry with sophisticated retail merchandising. BeautyFirst operators serve a large, active market of working women between the ages of 25 and 54. BeautyFirst provides consumers with a convenient source of beauty advice, professional products and a host of personalized services. BeautyFirst currently has its distribution center and corporate headquarters, as well as two salons, located in Wichita.

BeautyFirst also carries out an on-going program of in-service training seminars and conferences for salon franchisees and employees, which they call BeautyFirst University, in which dozens of BeautyFirst operators are brought to Wichita two or three times a year to learn about new products and techniques. Combined with quarterly business reviews, monthly meetings and a fall conference of franchisees, BeautyFirst is a significant generator of visitors to Wichita.

The IRB-funded project will be leased to RiverSharpe Properties LLC and subleased to BeautyFirst, Inc. for a minimum term of 10 years. RiverSharpe will construct a 12,000 sq. ft. corporate office building and a 41,000 sq. ft. warehouse distribution facility, which will serve the expanding store base, as well as create a centralized hub for the franchise system. The facility will also house a training facility to service the employee base across the country. The increased capacity of the distribution center will help expand the ability for more internal vendors and more comprehensive merchandise assortments. BeautyFirst currently employees approximately 120 people in Wichita and anticipates a 10% per year growth in employment.

The City's bond counsel firm Hinkle Elkouri L.L.C. serves as bond counsel in the IRB transaction. RiverSharpe plans to privately place a portion of the bonds with a local financial institution with which it has an established banking relationship and to purchase a portion of the bonds itself, representing an equity investment. The developer has complied with the City's requirements contained in the Standard Letter of Intent Conditions.

RiverSharpe agrees to pay all costs of issuing the bonds and the City's \$2,500 annual IRB administrative fee for the term of the bonds. As a corporate headquarter, the BeautyFirst project qualifies for a 100% five-plus-five-year tax exemption on improvements financed with bond proceeds, under the City's Business Incentive Policy. In addition, construction costs and personal property acquired with IRB funds are exempt from state and local sales tax. Sedgwick County and the State of Kansas have also offered incentives in connection with the BeautyFirst project. The State has offered a forgivable loan of \$52,500 plus training funds and tax

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credits. The County has agreed to match the State's \$52,500 forgivable loan, plus to pay special assessments due on the project site of up to \$86,000, for a total of \$138,500.

Bond documents needed for the issuance of bonds will be prepared by bond counsel. The City Attorney's Office will review and approve the final form of bond documents prior to the issuance of any bonds.

Mayor Mayans

Mayor Mayans inquired whether anyone wished to be heard and no one appeared.

Motion--

Schlapp moved that the public hearing be closed; first reading of the Bond Ordinance authorizing the execution and delivery of documents for the issuance of Industrial Revenue Bonds for Riversharpe Properties LLC in an amount not-to-exceed \$3,000,000 be approved and the necessary signatures authorized. Motion carried 7 to 0.

--carried

ORDINANCE

An Ordinance of the City of Wichita, Kansas, authorizing the issuance of Taxable Industrial Revenue Bonds, Series IV-A, 2004 (Beautyfirst, Inc. Project) in the aggregate principal amount of not to exceed \$2,350,000 and its Subordinated Taxable Industrial Revenue Bonds, Series IV-B, 2004 (Beautyfirst, Inc. Project) in the aggregate principal amount of \$650,000 for the purpose of providing funds to purchase, acquire, construct and equip a corporate office and warehouse distribution facility; prescribing the form and authorizing execution of a trust indenture by and between the City and Sunflower Bank, N.A., as Trustee with respect to the bonds; prescribing the form and authorizing the execution of a lease by and between the City and River Sharpe Properties, LLC; approving the form of a sublease between River Sharpe Properties, LLC, and Beautyfirst, Inc.; approving the form of a guaranty agreement and an individual guaranty agreement; authorizing the execution of a bond purchase agreement by and among the City, River Sharpe Properties, LLC, and Sunflower Bank, N.A., as purchaser of the Series IV-A, 2004 bonds and the execution of a bond purchase agreement by and between the City and River Sharpe Properties, LLC, as purchaser of the Series IV-B, 2004 Bonds, introduced and under the rules laid over.

AIRTRAN

TRANSPORTATION SERVICES AGREEMENT AMENDMENT-AIRTRAN AIRWAYS, INC.

Bailiss Bell

Director of Airports reviewed the item.

Agenda Report No. 04-0823

AirTran Airways began service to Mid-Continent Airport May 8, 2002. As a direct result of AirTran service, passenger volumes at Mid-Continent grew by 26% from year ending 2001 to year ending 2003, and passengers realized over \$100M in fare savings for the period May 2002 to April 2004. Mid-Continent passenger volume growth has continued into 2004. Year-to-date passenger volumes are up 10% over the same period in 2003. AirTran currently provides three flights daily to their Atlanta hub using 117-seat, Boeing 717 equipment. This service is supported through a one-year, \$2.5 M revenue guarantee agreement with the City of Wichita and aggressive advertising and promotion through Fair Fare\$.

AirTran is desirous of establishing non-stop service from Wichita to Orlando, Florida with one flight per week on Saturdays only. Orlando is the eighth most popular destination from Wichita Mid-Continent Airport with 45,510 passengers traveling to and from this market for the 12-month period ending March 2004. AirTran carried 13,050 of those passengers. Since AirTran began service to Wichita in May 2002, the number of passengers flying to and from Orlando has doubled. Studies prior to May 2002, indicate that the Wichita-Orlando market has a potential to reach 82,000 passengers annually.

AirTran has initiated this Saturday only, non-stop Orlando strategy in 20 other markets over the past three years with great success. In each case, the Orlando flights generate very strong passenger loads with a concurrent increase in passenger loads over Atlanta. The strategy controls costs and improves utilization of the Saturday capacity by reallocating one existing Atlanta flight on Saturdays to the Orlando service. With the proposed change, Wichita's Saturday service would consist of two roundtrip flights to Atlanta and one roundtrip flight to Orlando, commencing November 20, 2004. Service offered

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Sunday through Friday would remain the same. Air service consultants and AirTran planning personnel agree that this proposed service change will likely result in: a net increase in AirTran passengers and related revenues sufficient to more than offset any increased cost differential for the Wichita-Orlando service, increased overall revenue generation for AirTran in the Wichita market, increased market share for AirTran in the Wichita market, and decreased liability to the City of Wichita under the current revenue guarantee agreement in place.

The amendment calls for substituting one Wichita-Orlando, roundtrip flight on Saturday only for one existing Wichita-Atlanta flight. The proposed change represents an increased cost base of \$2,000 per one-way flight segment or approximately \$4,000 per week. Total AirTran revenues with the proposed change is expected to more than offset the additional cost, lessening the City's liability under the current revenue guarantee agreement and strengthening AirTran's presence in the Wichita market. The proposed amendment makes no change to the \$2.5M revenue guarantee cap.

Mayor Mayans

Mayor Mayans inquired whether anyone wished to be heard and no one appeared.

Motion--
--carried

Mayans moved that the contract amendment be approved and the necessary signatures authorized. Motion carried 7 to 0.

EAST SIDE FIRE SER. EAST SIDE FIRE SERVICE MEMORANDUM OF UNDERSTANDING.

Larry Garcia

Wichita Fire Chief reviewed the item.

Agenda Report No. 04-0824

The 2004 Adopted budget includes two significant enhancements for fire suppression: staffing to supplement east Wichita protection and staffing for aerial trucks. Newly annexed areas of east Wichita have stretched City response areas; additional staff were added to re-balance station staffing to enhance response capability in east Wichita and the additional staff will be hired, fully trained and ready for service in early September of this year. The current CIP also has \$1.8 million allocated to fund a new East Wichita Fire station.

On June 2nd, 2004, the County Fire Department Resource Allocation Study, Final Report, was submitted to the Sedgwick County Commission. Due to changing emergency service needs, all scenarios the consultant recommended involved either closing or relocating County Fire Station #38. The governmental responsibility for medical first response and fire service near the location of Station #38 is evolving into either a joint service area or a transitional area of service responsibility.

The development process to improve east Wichita service coincides with the County's decision to reduce staffing in far eastern Sedgwick County (Station #38) by 7 positions in May of 2000. With the budgeted capital and operating costs, City fire staff will soon be available to enhance service in East Wichita. To provide emergency services to east Wichita residents as soon as possible, staff has explored a pilot program to jointly operate from County Station #38.

During this pilot program, staff will be able to better evaluate Wichita and Sedgwick County emergency service requirements, changing service responsibilities, and determine the best permanent location for the efficient and effective deployment of emergency services on the far east side. The program is scheduled to begin on or about September 1st, with the framework of the program summarized below.

The Pilot Program from County Fire Station #38

- The Station 38 Pilot Program is a temporary joint deployment project at County Fire Station #38, located at 1010 N. 143rd East. The program will provide the deployment location for one full time City Fire Squad and one full time County Fire Engine/Pumper.

Program Costs

- The County will provide the facility, County Fire Station #38, including suitable quarters and accommodations for emergency services personnel, and will pay all of the associated costs.

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- The City will pay all costs associated with the City Fire Department emergency response vehicle, maintenance, fuel, equipment, City Fire staff, and required City Fire computers and IT/IS connections.

Operational Guidelines

- All current enhanced first responder agreement policies between Wichita and Sedgwick County Fire will remain in effect, as well as current dispatching procedures.

Program Evaluation

- Response performance for east Wichita fire service will be measured for one year to determine the effectiveness of using County Station #38 as a deployment center for east side service.

Staff for this program has been included in the 2004 Adopted budget.

Law Department will approve MOU as to form.

Larry Garcia

Fire Chief stated that he has some recommendations for the MOU. At the bottom of the first page of the agreement, he recommends that it reads, "the pilot program will provide the deployment location for one full time City Fire Engine/Pumper and one full time County Engine/Pumper." The other amendment is in the last statement of this document at the bottom of page 2 at the last bullet, to add the sentence, "This determination will be based on a joint effort on the City and County Fire Departments with final approval by the City Council, whether or not this pilot program would continue."

Mayor Mayans

Mayor Mayans inquired whether anyone wished to speak on this issue.

Doug Pickard

President of the International Association of Firefighters stated that they feel like this is a step forward for the City Fire Department.

Motion--
--carried

Schlapp moved that the Memorandum of Understanding with the two sections that were referred to by the Fire Chief for the Pilot Program at County Fire Station #38 be approved. Motion carried 7 to 0.

FOP

FRATERNAL ORDER OF POLICE FACT-FINDING.

Kelly Rundell

Senior Assistant City Attorney reviewed the item.

Agenda Report No. 04-0285

The City of Wichita and the Fraternal Order of Police have not negotiated a contract to succeed the contract, which expired on December 19, 2003. After an impasse in negotiations was declared and mediation was unsuccessful, a fact-finder was appointed pursuant to the Kansas Public Employer-Employee Relations Act. The fact-finder issued a report on June 24, 2004.

By law, the City Council, or a duly authorized committee of the council, is to conduct a hearing in which the parties are to explain their positions. The City's representative must submit a written recommendation for settling the dispute; the employee organization may submit a written recommendation for settling the dispute. Following the hearing, the City Council must take such action as it deems to be in the public interest, including the interest of the public employees involved.

There are no financial implications to the receipt of the report and scheduling the hearing.

The hearing is mandated by K.S.A. 75-4332.

Mayor Mayans

Mayor Mayans inquired whether anyone wished to be heard.

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Kevan Lager Mr. Lager stated that he is the President of the Fraternal Order of Police and is requesting more than 20 minutes to make their oral presentation at the hearing. Stated that they hope to have a large number of public present to hear their side and would like to have an opportunity to have more than 20 minutes to go over some of the City documents that they have, which they believe will show that the City is capable of paying the pay increase that the fact finder recommended.

Council Member Gray Council Member Gray stated that this is not going to be fought in the arena of public opinion it will be based on the decision of the seven Council Members. Encouraged Mr. Lager that if he would like to have additional time with the Council Members to contact each one of us.

Mayor Mayans Mayor Mayans stated that he would allow 30 minutes for their oral presentation.

Motion-- Mayans moved that the fact-finder report be received; a hearing on the matter be scheduled for August 31, 2004, at 9:30 a.m.; the representative of the Fraternal Order of Police and the representative of the City, be authorized to submit written recommendations, with 30 minutes being allowed to explain their respective positions. Motion carried 7 to 0.

--carried

CITY COUNCIL AGENDA

APPOINTMENTS

BOARD APPOINTMENTS.

No appointments were made.

TRAVEL EXPENSE

APPROVAL OF TRAVEL EXPENSES FOR VICE-MAYOR BREWER TO ATTEND NATIONAL LEAGUE OF CITIES COMMUNITY & ECONOMIC DEVELOPMENT STEERING COMMITTEE MEETING IN TUCSON, AZ, SEPTEMBER 30-OCTOBER 3, 2004.

Motion--carried Mayans moved that the expenditures be approved. Motion carried 6 to 1. (Lambke-no)

TRAVEL EXPENSE

APPROVAL OF TRAVEL EXPENSES FOR COUNCIL MEMBER MARTZ TO ATTEND NATIONAL LEAGUE OF CITIES HUMAN DEVELOPMENT STEERING COMMITTEE MEETING IN WEST HOLLYWOOD, CA, OCTOBER 7-10, 2004.

Motion--carried Mayans moved that the expenditures be approved. Motion carried 6 to 1. (Lambke-no)

TRAVEL EXPENSE

APPROVAL OF TRAVEL EXPENSES FOR MAYOR TO MAKE PRESENTATION AT HARVARD UNIVERSITY'S CHINA LEADERS IN DEVELOPMENT PROGRAM, IN PARK CITY, UT, AUGUST 21-23, 2004.

Motion--carried Mayans moved that the expenditures be approved. Motion carried 6 to 1. (Lambke-no)

CONSENT AGENDA

Council Member Lambke requested that Item 25 be discussed.

Motion-- Mayans moved that the Consent Agenda, except Item 25, be approved as consensus Items.
--carried Motion carried 7 to 0.

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BOARD OF BIDS

REPORT OF THE BOARD OF BIDS AND CONTRACTS DATED AUGUST 9, 2004.

Bids were opened August 6, 2004, pursuant to advertisements published on:

PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION: Sewers, Paving and Water Mains as per specifications.

Lateral 5, Main 26, War Industries Sewer to serve Regency Park Addition - south of 29th Street North, west of Greenwich. (468-83099/744069/480757) Does not affect existing traffic. (District II)

Mies Construction - \$21,688.00

Water distribution system to serve Regency Park Addition - south of 29th Street North, west of Greenwich. (448-89847/735206/470876) Does not affect existing traffic. (District II)

Nowak Construction - \$16,849.00

Water distribution system to serve Brentwood South Second Addition - north of Pawnee, east of Webb) (448-89947/735193/470863. Does not affect existing traffic. (District II)

Mies Construction - \$13,254.00

Storm Water Drain #214 to serve Avalon Park Addition - north of 37th Street North, east of Tyler. (468-83694/751372/485263) Does not affect existing traffic. (District V)

Bergkamp Construction - \$186,500.50

Lake Ridge from the south line of Lot 1, Block 4 to the north line of Lot 18, Block 3; Lake Ridge Court from the west line of Lake Ridge to and including the cul-de-sac; Havenhurst from the east line of Lake Ridge to the north line of Lot 12, Block 2; Sidewalk installed along the east line of Lake Ridge and the south line of Havenhurst to serve Avalon Park Addition - north of 37th Street North, east of Tyler. (472-83836/765886/490997) Does not affect existing traffic. (District V)

Ritchie Paving - \$229,279.30

Fawn Grove from the west line of Lot 29, Block 2 to the west line of Greenwich Road; Leeanne Circle from the north line of Fawn Grove to and including the cul-de-sac to serve Fawn Grove at Sunset Lakes Addition - south of Turnpike, west of Greenwich. (472-83980/765873/490984) Does not affect existing traffic. (District II)

Cornejo & Sons Construction - \$229,515.95

Motion--

Mayans moved that the contract(s) be awarded as outlined above, subject to check, same being the lowest and best bid within the Engineer's construction estimate, and the and the necessary signatures be authorized. Motion carried 7 to 0.

--carried

HOUSING SERVICES DEPARTMENT/PUBLIC HOUSING DIVISION: Parking Lot at Greenway Manor.

Ritchie Paving and Construction Co. - \$59,588.00 (Group 1 total net bid/Alternate A)

PUBLIC WORKS DEPARTMENT/BUILDING SERVICES DIVISION: New Mobile Counter and Modifications.

Refer to Purchasing Manager for Award

WATER & SEWER DEPARTMENT/PRODUCTION & PUMPING DIVISION: Ferric Sulfate.

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FE3 Inc/FINI Enterprises Inc.* - \$24,450.00 (Group 1/total net bid)
\$0.0489 (Group 1/per pound)

*Estimate – Contract approved on unit cost basis

AIRPORT DEPARTMENT/ENGINEERING DIVISION: Midfield Road, Gates Entrance, Parking Lot.

Cornejo & Sons Inc. -\$684,864.50 (Group 1 base bid)
\$ 75,422.50 (Group 2 add alternate)

Motion--
--carried

Mayans moved that the contract(s) be awarded as outlined above, same being the lowest and best bid, and the necessary signatures be authorized. Motion carried 7 to 0

LICENSES

APPLICATION FOR LICENSE FOR ADULT ENTERTAINMENT ESTABLISHMENTS /SERVICES:

Renewal – Escort Service

Sharla Elore	Millineum Entertainment	2415 South Glendale
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Motion--
--carried

Mayans moved that the license, subject to Staff review and approval, be approved. Motion carried 7 to 0.

CMB

APPLICATIONS FOR LICENSES TO RETAIL CEREAL MALT BEVERAGES:

<u>Renewal</u>	<u>2004</u>	<u>(Consumption on Premises)</u>
Paul A. Oropesa	L.W. Clapp Golf Course*	4611 East Harry
Mark T. Ryan	Ryan Boys Inc. dba Two Brothers BBQ*	300 South Greenwich Road

<u>Renewal</u>	<u>2004</u>	<u>(Consumption off Premises)</u>
Ben J. Schultz	T&E Oil Co., Inc. #11	3935 North Broadway
Greg Speakman	On the Road, Inc.	801 South Oliver

<u>New Establishment</u>	<u>2004</u>	<u>(Consumption off Premises)</u>
Jeff N. Reif	Target Store T-1944	10800 East 21st Street North
Jeff N. Reif	Target Store T-1945	2727 Maize Road

*General/Restaurant - 50% or more of gross receipts derived from sale of food.

Motion--
--carried

Mayans moved that the licenses, subject to Staff review and approval, be approved. Motion carried 7 to 0.

PRELIMINARY ESTS. PRELIMINARY ESTIMATES:

a) 2004 contract maintenance bridge deck resurfacing of the northbound Broadway Bridge over the Arkansas River - north of Carp Street on Broadway. (472-83947/132716/) Road closed to through traffic, local traffic only. (District III) - \$207,480

b) 2004-2005 CDBG street, curb, gutter and sidewalk improvements (sidewalk repairs) - north of 8th Street North, east of Washington (472-83906/602551/800402_010111) Traffic to be maintained during construction using flagpersons and barricades. (District I) - \$100,000

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c. Killenwood Court from the east line of Killenwood Court to and including the cul-de-sac serving Lots 11 through 22, Block 1 to serve Killenwood Pointe Addition - south of 13th Street North, east of Greenwich. (472-83269/765884/490995) Does not affect existing traffic. (District II) - \$147,000

d. Clara Street, from the east line of Doris Street, east and south to the south line of the plat; Doris Street, from the south line of 13th Street North to the south line of the plat; Sidewalk along one side of Doris Street to serve Steve Kelley 5th Addition (south of 13th Street North, east of Hoover Road) (472-83993/765875/490986) Does not affect existing traffic. (District VI) - \$223,510

e) Kansas Air Museum Restoration, Phase 2 - George Washington Blvd. at 31st Street South. (792419 /602386/435389/800002,060110) Does not affect existing traffic. (District III) - \$900,000

Motion--carried Mayans moved that the Preliminary Estimates be received and filed. Motion carried 7 to 0.

AVALON PARK

PETITION FOR PUBLIC IMPROVEMENTS: CONSTRUCT A STORM WATER DRAIN FOR AVALON PARK ADDITION, NORTH OF 37TH STREET NORTH, EAST OF TYLER. (DISTRICT V)

Agenda Report No. 04-0826

On June 8, 2004, the City Council approved a Petition to construct a storm water drain to serve Avalon Park Addition. Based on current bid prices, it is doubtful that a construction contract can be awarded within the budget set by the Petition. The developer has submitted a new Petition with an increased budget. The signatures on the new Petition represent 100% of the improvement district.

The project will serve a new residential development located north of 37th Street North, east of Tyler.

The existing Petition totals \$217,000. The new Petition totals \$238,000. The funding source is special assessments.

State Statutes provide that a Petition is valid if signed by a majority of resident property owners or owners of the majority of the property in the improvement district.

Motion--carried Mayans moved that the Petition be approved and the Resolution adopted. Motion carried 7 to 0.

RESOLUTION NO. 04-412

Resolution of findings of advisability and Resolution authorizing construction of Storm Water Drain No. 214 (north of 37th Street North, east of Tyler in the City of Wichita, Kansas, pursuant to findings of advisability made by the Governing Body of the City of Wichita, Kansas, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

BOARDS MINUTES

MINUTES OF ADVISORY BOARDS/COMMISSIONS:

Wichita Public Library Board of Directors, July 20, 2004
Wichita Public Library Board of Directors, June 15, 2004
Design Council, June 17, 2004
Housing Advisory Board Meeting, June 15, 2004
Board of Park Commissioners, June 14, 2004
Board of Electrical Appeals, June 8, 2003
District I Advisory Board Meeting, June 7, 2004
Board of Code Standards and Appeals, June 7, 2004
Wichita Airport Advisory Board, June 7, 2004
Wichita Employees Retirement Board Joint Investment Committee, June 3, 2004
District III Advisory Board Minutes, June 2, 2004

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Wichita Employees Retirement Regular Board Meeting, May 26, 2004
Police & Fire Retirement System Board Meeting, May 26, 2004
District VI Advisory Board Minutes, May 19, 2004
Housing Advisory Board Meeting, May 18, 2004
Board of Park Commissioners Regular Meeting, May 10, 2004
Wichita Employees Retirement Board Joint Investment Committee, May 6, 2004
District III Advisory Board, May 5, 2004
Deferred Compensation Board of Trustees Special Meeting, May 3, 2004
District I Advisory Board Meeting, May 3, 2004
District III Advisory Board Meeting, April 7, 2004
Deferred Compensation Board of Trustees, March 1,, 2004
District II Advisory Board Meeting, March 3, 2004
District III Advisory Board Meeting, February 11, 2004
District III Advisory Board Meeting, January 7, 2004
Wichita Public Building Commission Meeting, July 9, 2003
Wichita Public Building Commission Meeting, December 3, 2003

Motion--carried Mayans moved that the Minutes be received and filed. Motion carried 7 to 0.

STREET CLOSURES CONSIDERATION OF STREET CLOSURES/USES.

Agenda Report No. 04-0827

In accordance with the Special Events Procedure, event sponsors are to notify adjacent property owners and coordinate arrangements with Staff, subject to final approval by the City Council.

The following street closure requests have been submitted:

Sterling Silver Premium meats Chili and Barbeque Cookoff

September 17 – 6:00 pm to 10 pm & September 18 – 11:00 am – 5:00 pm

§ Mead from 1st Street to 2nd Street

§ Moore at 2nd Street

Wichita Half Marathon – September 19, 6:00 am – 12:00 noon

§ Nims from Stackman to Murdock 6:30 am to 12:00 noon

§ Stackman from Nims to Murdock 7:30 am to 12:00 noon

Police security is arranged to remove blockades as necessary to allow emergency vehicle access during entire designated time period

Inasmuch as possible, event sponsors are responsible for all costs associated with special events.

Motion-- Mayans moved that the request, subject to: (1) Event sponsors notifying every property and/or business adjoining any portion of the closed street; (2) Coordination of event arrangements with City Staff; (3) Hiring off-duty public safety officers as required by the Police Department; (4) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department; (5) Submitting a Certificate of Insurance evidencing general liability insurance which covers the event and its related activities, including the naming of the City as an additional insured with respect to the event's use of the closed City streets, be approved. Motion carried 7 to 0.

--carried

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ATOFINA

RIGHT-OF-WAY AGREEMENT, ATOFINA PETROCHEMICALS, INC. (DISTRICT V)

Agenda Report No. 04-0828

ATOFINA Petrochemicals, Inc. is working to remediate groundwater contamination resulting from leaking underground storage tanks at the site of an old automobile service station that was located on the northwest corner of Central and Woodchuck. Onsite source removal has been completed. An air sparge groundwater remediation system is proposed to clean up the existing plume. Two monitoring wells and up to 14 air sparging wells are proposed to be installed along the south side of Central west of Woodchuck, west side of Woodchuck south of Central, east side of Woodchuck south of Central and along the north side of Jennie east of Woodchuck (see Figure 1).

A Right-of-Way Agreement has been developed to allow the use of a specific route for the wells and associated pipe. The City Engineers office has reviewed and approved the route and construction details for the portion of the project that would be in the public right-of-way.

The proposed Right-of-Way Agreement provides for compensation to the City for use of the right-of-way of \$2.50 per foot per year for the life of the project. The annual compensation for 560 feet of ROW is estimated at \$1,400 per year.

Motion--
--carried

Mayans moved that the agreement be approved and the necessary signatures authorized. Motion carried 7 to 0.

CHANGE ORDER

WATERLINE REPLACEMENT IN AN AREA BOUNDED BY 2ND, 13TH, OHIO AND MINNESOTA STREETS. (DISTRICT I)

Agenda Report No. 04-0829

On June 10, 2003, the City Council approved a construction contract to replace waterlines in an area bounded by 2nd, 13th, Ohio, and Minnesota Streets. A part of the work includes the replacement of water service lines to metered homes and businesses. The number of service lines needed exceeded the number expected at the time the project was designed. Also, Federal regulations for wheelchair ramps have changed, requiring the addition of a detectable warning surface on each ramp.

A Change Order has been prepared for the additional work. Funding is available within the project budget.

The total cost of the additional work is \$54,942, with the total paid by the Water Utility. The original contract is \$793,106. The Change Order represents 6.93% of the original contract amount.

The Change Order amount is within 25% of the construction contract cost limit set by the City Council policy.

Motion--
--carried

Mayans moved that the Change Order be approved and the necessary signatures authorized. Motion carried 7 to 0.

SIDEWALK REPAIR

SIDEWALK REPAIR ASSESSMENTS.

Agenda Report No. 04-0830

City sidewalk inspectors have identified certain sidewalks as trip hazards or otherwise in need of repair. These sidewalk sections fail to meet minimum standards for sidewalk and must be repaired and replaced.

Property owners were notified in writing of the necessary sidewalk repairs. They were given the following repair options.

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1. To level and reset sections of sidewalk that are not otherwise broken or cracked.
2. Hire a licensed concrete contractor to make the repairs. Only licensed cement contractors are authorized to pour concrete on city right-of-way and requires a permit from the City Engineer.
3. Have the city's contractor make the repairs where the property owners are given the option of paying the cost in full or having it assessed against the property.

Property Owners chose Option 3.

Statements of Charges will be mailed to the property owners on August 20, 2004. The property owners have 30 days from date of statement to pay their assessment and avoid paying interest. The interest added to the principal amount will be determined by the rate at which the August 2004 bonds sell. The principal and interest will then be spread over 5-years and placed on the 2005 tax roll.

These assessments are in accordance with City Code 12.18.

Motion--
--carried

Mayans moved that the proposed assessments be approved and the ordinance placed on first reading. Motion carried 7 to 0.

(Agenda Item No. 25)
ADA COMPLIANCE

CITY BUILDINGS AND FACILITIES AMERICANS DISABILITY ACT, (ADA) COMPLIANCE.

Agenda Report No. 04-0831

Many of the City's buildings and facilities do not meet the requirements of the Americans with Disabilities Act (ADA) and are required by Federal Law to be brought into compliance.

Under the Americans with Disabilities Act (ADA) of 1990, the City of Wichita is required by Federal Law to bring buildings and facilities that do not meet the requirements of the law into compliance. The City has on new construction projects met or exceeded all requirements of the ADA. The existing buildings and facilities are not in full compliance. Since the enactment of the law, the City has made many upgrades to existing buildings and facilities but we are still not in complete compliance with all buildings and facilities constructed before 1990. This project will begin the process of bringing the remainder of the facilities into compliance.

A Request for Proposal is being developed to solicit responses from qualified firms interested in providing a survey of existing buildings/facilities for ADA compliance. Once a survey is completed and all the required modifications are defined, the City's ADA committee will prioritize the required modifications into a separate project list.

This project will pay for the consultant study and begin the required modifications. Staff will determine the need for additional consultant involvement regarding the coordination of plans and specifications once the projects are defined by the study.

Funding for the project is budgeted in the 2004-2013 Capital Improvement Program at \$150,000 per year for a total of \$1.5 million. The project is being initiated for \$300,000, which is the amount, budgeted for 2004 and 2005 only.

Council Member Lambke Council Member Lambke stated that he would like to know why there is a need to hire a consultant and that the City has been working on this program since 1990 and has never had a consultant before. Asked who surveyed the buildings that were fixed and if staff were capable of surveying the buildings and repaired them and brought them up to standards, then why can we not continue to do that.

Cathy Holdeman Assistant City Manager explained that staff from the Public Works department has previously been involved in surveying the City's existing facilities but because there is such a strong desire to come in compliance with the ADA laws and make sure that the City's public buildings are in compliance, the

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staff is now feeling that there is significant magnitude that they need to have a consultant to assist them with that project. Stated that this is a project of considerable scope.

Council Member Lambke Council Member Lambke stated that for \$300,000.00 for the rest of this year and next year, we could add more people to the payroll and feels that we could do this in-house for a lot less money.

Ed Martin Building Services Director explained that he has been working on an RFP for the scope of work that is required and it is massive. Stated that there is no way they could begin to do this with Staff and it needs to be done promptly and then they need to put together a very structured plan with funding over a five-year period to show that the City is actively going after making all of these corrections.

Council Member Martz Council Member Martz suggested deferring this item until they have a better explanation of it.

Council Member Gray Council Member Gray stated that in reading the agenda report it does not say it would cost \$300,000.00 for a consultant it says \$300,000.00 for the project over the next two years and that there needs to be some clarification on what portion of that is going to be actual work done and what is going to be for consultant and what we are going to get for our dollars. Stated that the data that was presented is not sufficient to make a proper decision today.

Motion--carried Mayans moved that this Item be deferred for one week. Motion carried 7 to 0.

LAND TRANSFER **TRANSFER OF LAND AT 9TH AND WICHITA AND 12TH AND MAIN STREET BETWEEN THE CITY OF WICHITA AND USD 259. (DISTRICT VI)**

Agenda Report No. 04-0832

In April 2002, the City Council approved \$74,000 in CDBG funding to acquire portions of the abandoned Union Pacific corridor from Central to 15th Street from adjacent property owners. These acquisitions will be utilized to develop a greenway/lineal park connecting Horace Mann, Irving and Park Schools and the bicycle path on Central.

Horace Mann School, at 12th Street and Main, abuts approximately 175 feet of the corridor. With the abandonment, the ownership of the half of the corridor adjacent to the school reverted to the school district. The planned expansion of Park School at 9th Street and Wichita Street requires a parcel of City-owned land adjacent to the school. The school district will transfer their rights to the rail corridor adjacent to both Horace Mann and Park Schools in exchange for the City owned parcel.

There is no financial impact.

Motion--
--carried Mayans moved that the transfers be approved and the necessary signatures authorized. Motion carried 7 to 0.

ORDINANCES **SECOND READING ORDINANCES: (FIRST READ AUGUST 3, 2004)**

a) Wichita Employee's Retirement System - establish attendance policy for the elected members of the Board of Trustees.

ORDINANCE NO.46- 227

An Ordinance revising City Code Section 2.28.080 of the Wichita Employees' Retirement System. establishing an attendance policy for the elected members of the board of trustees, read for the second time. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

b) ZON2004-23 - located on the east side of Hillside and south of 53rd Street North. (District I)

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ORDINANCE NO.46- 228

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, read for the second time. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans. ZON 2004-23

AIRPORT AGENDA

GATES/PARK LOT

SECURITY GATES AND PARKING LOT IMPROVEMENTS, WICHITA MID-CONTINENT AIRPORT.

Agenda Report No. 04-0833

Security gate improvements and street side pavements are included in the Capital Improvement Program.

Security and tenant improvements on the General Aviation side of the airport are proposed. The major elements of work include the elimination of several pedestrian and vehicle gates in the security fence, improvements to the driveway entrances into two security gates for better emergency access, elimination of vehicle parking close to the security fence, and the addition and expansion of parking and drainage adjacent to the security gate entrances.

The project is estimated to cost \$540,000 and will be funded with General Obligation Bonds paid with airport revenue and Passenger Facility Charges.

Motion--
--carried

Mayans moved that the project be approved; the resolution adopted and the necessary signatures authorized. Motion carried 7 to 0.

RESOLUTION NO. A-04-003

An Resolution declaring that a public necessity exists for, and that the public safety, service and welfare will be advanced by, the authorization of certain capital improvements to the Wichita Mid-Continent Airport Facility; and setting forth the nature of said improvements; the estimated costs thereof; and the manner of payment of same, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

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EXECUTIVE SESSION

Motion-- Mayans moved that the City Council recess into Executive Session at 11:15 a.m., to consider: consultation with legal counsel on matters privileged in the Attorney-Client relationship relating to: potential litigation and legal advice and that the Council return from Executive Session no earlier than 11:30 a.m. and reconvene in the City Council Chambers. Motion carried 7 to 0.

--carried

RECESS The City Council recessed at 11:15a.m., and reconvened at 11:30 a.m. in the City Council Chambers.

Mayor Mayans Mayor Mayans announced that no action was necessary as a result of the executive session.

Motion--carried Mayans moved that the regular meeting be adjourned. Motion carried 6 to 0; Fearey absent.

Motion--carried Mayans moved that the executive session be adjourned. Motion carried 6 to 0; Fearey absent.

Adjournment The City Council meeting adjourned at 11:16 a.m.

Karen Sublett
City Clerk